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This study of the financing of Wisconsin University Centers, branch campuses of the state universities, and associate-degree technical education focuses on the cost to the student, to supporting localities, and to the state. Interest in the subject was prompted by apparent inconsistencies in financial support levels and aid formulas among the various kinds of public 2-year institutions in the state. Analyzed are: (1) financial support for instruction and other operating expenses and for capital outlay for facilities and equipment; (2) the cost of freshman/sophomore public education--(a) student expense for tuition, (b) local contributions such as buildings, grounds, and continuing maintenance, the ability of communities to support the institutions, and the variation in local financial ability, and (c) state support of 2-year collegiate and technical education, including a comparison with equivalent lower-division costs on 4-year campuses; (3) various fiscal alternatives and their effect on the state taxpayers; and (4) recommendations. The anomalies and inconsistencies prompting this study are described. (HH)

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State of Wisconsin \ COORDINATING COUNCIL FOR HIGHER EDUCATION

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APPROVED

For Action

Revised CCHE #113
September, 1968

FINANCING TWO-YEAR INSTITUTIONS OF PUBLIC HIGHER EDUCATION IN WISCONSIN

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SUMMARY This study of the financing of University centers, branch campuses of the State Universities, and associate degree technical education focuses upon the cost to the student, the cost to localities which support such institutions, and the cost to the state.

Interest in this subject was prompted by the apparent inconsistencies in financial support levels and aid formulae among the various kinds of public two-year institutions in Wisconsin. The major dimensions of this analysis are:

1. The financial support for instruction and other operating expenses, as well as the capital outlay for facilities and equipment;

2. The cost to society of freshman-sophomore public education, specifically: (a) student expenses for tuition fees; (b) local contributions (e.g. buildings, grounds, and continuing maintenance), the ability of communities to support such institutions, and the variation in local financial ability; and (c) state support of two-year collegiate and technical education, including comparison with equivalent lower division costs on four-year campuses.

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3. Various fiscal alternatives, and their effects upon the taxpayers of Wisconsin, and recommendations.

REVIEW

Wisconsin is somewhat unique in that it has three separate higher educational systems operating 31 two-year institutions of public post-high school education,[1] as of this fall. Although these are not junior colleges, which are becoming so prevalent in other states, they are freshman-sophomore post-high school community-based educational institutions:

1. The 12 University of Wisconsin Centers offer a two-year collegiate transfer curriculum. The cost of buildings and grounds, continuing maintenance of the facilities (including utilities, repairs, and improvements), and one-half of the cost of custodial service are borne by the community and/or county. The staffing and operation is by and from either the University Center System, the UW-Green Bay or UW-Parkside campuses; control is by the University of Wisconsin administration. The operating costs in terms of faculty, supplies and materials, etc., are from the University budget. On July 1 of this year, the Brown County Center[2] became an integral part of the UW-Green Bay campus which assumed responsibility for the operation

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[1] See Appendix A.

[2] Brown County will continue to finance the maintenance of the facility and one-half of custodial services during 1968-69; on July 1, 1969, UW-Green Bay will assume total responsibility for operating the facility. However, the county will continue to finance the debt service on the physical facility bonds, which will be outstanding for 12 more years.

of the Fox Valley, Manitowoc and Marinette Centers in northeastern Wisconsin; while UW-Parkside assumed responsibility for operation of the Kenosha and Racine Centers in the southeastern part of the state.

2. The State Universities operate 3 branch campuses which are similar to a center in financial support, staffing, and curriculum; except that control is specifically delegated to a parent State University in the region of the branch campus in all cases.

3. The Board of Vocational, Technical and Adult Education has jurisdiction over 14 technical institutes, which offer an extensive program of post-high school technical education of two years' duration leading to a Board-approved associate degree; in addition, there are 2 "dual track" technical colleges which are similar to the institutes except that they also offer two years of collegiate transfer education and are accredited by the North Central Association of Colleges and Secondary Schools.

This study has omitted consideration of county teachers colleges which have provided two years of training in elementary education. Beginning in 1967-68, state aids have been permanently withdrawn from county teachers colleges with fewer than 50 students enrolled at the start of the previous academic year. Starting July 1, 1972, a minimum of a baccalaureate degree will be required for all public school teachers in Wisconsin. State aids will be terminated at the conclusion of 1970-71, at which time county teachers college operations in Wisconsin will be discontinued--as has been the case in all other states.

Since 1958, the Coordinating Council for Higher Education has adhered to the following tenets of educational opportunity, diversity, and quality:

Note: State aids for county teachers colleges are paid on a retroactive basis, thus aid for 1970-71 CTC operations will be paid in 1971-72.

> The general welfare of the state will be best served by making it possible for any deserving and qualified youth to continue his education to the level of his ability and ambition. Since the major cost of education to the student occurs when the training must be secured away from his home, the welfare of the student and the state will be best promoted by providing post-high school opportunities as widely over the state as is consistent with sound educational and financial considerations.[3]

These principles were adopted by the 1963 session of the Legislature which gave statutory authorization for the establishment of branch campuses and extension centers. Since then, the need for dispersed two-year coll[illegible]te opportunities has been realized by the establishment of additiona[illegible]reshman-sophomore branch campuses and centers throughout the state. Because the presently authorized campuses provide wide geographic accessibility of state-supported educational opportunities, the present moratorium placed on the approval of any new centers or branch campuses, except for those already in the planning stage (i.e., Taylor County), should be continued. It is anticipated that any further implementation of the outreach plan will be concerned with the development of area vocational-technical districts throughout the state.

The common and significant mission of the two-year institution is to provide high-quality freshman-sophomore associate degree programs (whether transfer or terminal) to primarily commuting students. These institutions with their small enrollments are student-oriented, and stress classroom instruction, close student-faculty contact, and comprehensive counseling services. While the two-year institutions are partially funded through local resources and should be responsive to community needs in adult education and public service, their primary

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[3]Wisconsin CCHE #105 (1966), p. 1 (emphasis added).

Note: Statutory authority for the establishment and CCHE approval of centers and branch campuses is provided in sections 36.06(10) and 37.02(5), Wisconsin Statutes (1965).

focus must remain a quality freshman-sophomore curriculum prerequisite to a broad range of occupational aspirations. The guiding principles for the establishment and operation of two-year institutions of public post-high school education are:

> 1. Appropriate educational opportunities must be available to all who seek them and can profit by them.
>
> 2. Individuals differ widely in the range of their abilities, interests, and ambitions. To provide the same educational experience for all does not thereby provide an "equal opportunity." Both the variations among individuals and the needs of society require widely diversified kinds of education.
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> 3. Within the context of providing for a wide range of individual and social needs, the demands of excellence must be recognized. Excellence should be judged not by comparison with prestigious institutions, but by the quality of education related to the purposes it is designed to serve.[4]

The more apparent anomalies in the inconsistent financial support of two-year institutions include the following:

1. Collegiate transfer education at the centers and branches is supported by a basic fee of $119 per semester (which is the same as for the State Universities, where it approximates 20% of operating costs) for resident students, whereas vocational-technical education in full-time statewide programs is free to residents of the district or municipality operating the institution.

2. The state funds the full cost of collegiate transfer instructional salaries at the centers, branches, and technical colleges, but only 80% of vocational-technical instructional salaries.

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[4]A. J. Brumbaugh, The Two-Year College in Virginia, Staff Report #4, Virginia Higher Education Study Commission (Richmond, 1965), pp. 22-23.

3. Other vocational-technical districts must reimburse the Madison Area and Milwaukee Technical Colleges for their students who are enrolled in collegiate transfer programs. This appears to be a contravention of legislative intent as expressed in Chapter 292, Laws of 1965, which provides that "Except in cities having a population of 150,000 or more, no liberal arts collegiate transfer program shall be offered . . . where there is an existing institution of higher learning." The rationale for the specific limitation on the offering of collegiate programs in vocational-technical institutions was that they were necessary for a distinctive student clientele drawn from metropolitan areas exceeding a population of 150,000. It does not seem equitable for the taxpayers of Marathon County, for example, to reimburse the Madison Area and Milwaukee Technical Colleges, when they are also supporting a University Center in Wausau.

4. The funding of instructional equipment is borne by the state or federal government for the centers and branches; but for vocational-technical institutions is financed either by the locality, or by a combination of local funds and federal aids allocated by the Board.

As this review illustrates, the main differentiation of post-high school freshman-sophomore financial support is between transfer education at the centers and branches, and terminal education at the vocational-technical institutions. The locality's funding of both centers and branches includes: furnishing suitable physical facilities and providing for the maintenance thereof (including utilities, repairs and improvements to the buildings and surrounding premises), and for

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Note: District #16 is the only vocational-technical area where there is not an existing collegiate institution of higher learning; however, a pilot "dual-track" technical college has been authorized at Rhinelander.

one-half of the cost of custodial service. The state support of vocational-technical institutions is limited to aids for instructional and administrative-supervisory-coordination salaries, and contact hours--all other funding is by local financing and through federal aids allocated by the Board. The vocational-technical institutions are now in the process of shifting their funding source from a municipal to an area district basis.

CURRENT OPERATIONS

The basic fee for full-time students at both the centers and branch campuses is $119 for residents and $327 for nonresidents per semester. This is the same undergraduate fee per semester as set by the State Universities, except that a compulsory incidental fee (averaging $43.50) is not charged. For comparative purposes, the undergraduate tuition fee at the Madison and Milwaukee campuses of the University of Wisconsin is $150 for residents and $550 for nonresidents per semester plus a compulsory incidental fee of $24.50.

The vocational-technical institutions charge a varying tuition amount for nonresident students which is based upon actual instructional costs funded from local taxes (i.e., less state and federal aids). For example, the 1967-68 tuition charged by the Madison Area Technical College, District #4, is shown in the following table:

1. Statewide Full-Time Vocational-Technical:

a. District residents	NONE
b. Wisconsin residents[5] who are not residents of the district	$12.83 per semester credit[6]
c. All Wisconsin residents over 21	$12.83 per semester credit[7]
d. Nonresidents of Wisconsin	$16.10 per semester credit[8]

2. Statewide Full-Time Collegiate Transfer:

a. Wisconsin residents under 21	$3.22 per semester credit[9]
b. Wisconsin residents over 21 who are not district residents	$12.83 per semester credit[10]
c. Nonresidents of Wisconsin	$16.10 per semester credit[11]

3. Other Courses: Nonresident tuition for all other courses and programs . . . . . 59¢ per instructional hour

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[5]This tuition may be paid for those under 21 by the district of residence if it does not offer a similar program of study as that which the student wishes to pursue.

[6]Up to a maximum of $153.99 per semester.

[7]Ibid.

[8]Up to a maximum of $193.20 per semester.

[9]The district of residence shall pay an additional $9.61 per semester credit.

[10]Up to a maximum of $153.99 per semester.

[11]Up to a maximum of $193.20 per semester.

There is a significant difference in the tuition practices between the collegiate and the vocational-technical two-year institutions:

1. There is no tuition fee for local area district residents pursuing a statewide full-time vocational-technical curriculum.

2. For a full-time collegiate transfer curriculum (assuming a standard course load of 15 credits per semester) at the centers and branches, the cost per credit is $7.93 for residents ($119 ÷ 15), and $21.80 for nonresidents ($327 ÷ 15). At the Madison Area Technical College the 1967-68 tuition for 15 semester credits in the collegiate transfer curriculum would amount to: $3.22 per semester credit for Wisconsin residents under 21 years of age ($3.22 x 15 = $48.30), $10.25 per semester credit for Wisconsin residents over 21 from other districts ($153.99 ÷ 15), and $12.88 per semester credit for nonresidents of Wisconsin ($193.20 ÷ 15).

3. A liberal arts collegiate transfer curriculum is significantly less expensive for resident students at the technical colleges than at the centers or branch campuses.

4. The nonresident tuition for both collegiate transfer and vocational-technical curricula at the vocational-technical institutions is less expensive than is the nonresident tuition at the centers and branch campuses.

The actual 1966-67 lower division (freshman-sophomore) per student costs for instruction, student services, and libraries--excluding first year branch campus start-up costs--are shown below:

University Centers	$1,031
State Universities	$ 735
UW-Madison	$ 628
UW-Milwaukee	$ 583

Although the per-student cost at the two-year institutions is significantly higher than that at four-year institutions, substantial savings in room and board costs are possible for the student who attends a two-year institution located within commuting distance of his home. With the existing wide geographic distribution of public institutions of post-high school education throughout the state, the University centers, branch campuses of the State Universities, and vocational-technical institutions should remain nonresidency institutions serving primarily commuting students.

Since the local contribution for the operating expenses of collegiate two-year institutions is supported by property tax levies, the costs to those localities are analyzed on the basis of the following assumptions:

1. The property tax will continue to be the main vehicle for the generation of local revenues;

2. Utilization of the full valuation for each locality will equalize differential assessment rates among localities;

3. A relatively constant number of property taxpayers can be assumed to exist per unit of population;[12]

4. Per capita full valuation[13] is a meaningful index of the relative ability to pay of various localities;

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[12]Courtland Washburn, et al., Financing California's Public Junior Colleges, California CCHE Report #1029 (Sacramento, 1967), p. 46.

[13]Calculated from the following sources: Property Tax 1966, Wisconsin Department of Revenue Bulletin #466 (October 1967); Village and City Taxes 1966, Wisconsin Department of Taxation Bulletin #266 and 366 combined (April 1967); and Bureau of Vital Statistics, Wisconsin Department of Health and Social Services.

5. The full valuation and population of each locality supporting a collegiate two-year institution should be calculated on the same proportion as that locality shares in the support of such institution (e.g., the local funding of the Kenosha Center is 50% from the city and 50% from the county, and one-half of the population and full valuation of each were summed to derive the appropriate figures from which to compute the local per capita full valuation supporting that center).

The 1966-67 local contributions for the operating expenses of the then existing 11 centers (which includes one-half of the janitorial costs, plus all heat, light, water, gas, and facility repair and improvements) ranged from a maximum of $65,000 for the Brown County Center to a minimum of just under $18,000 for the Marinette County Center. The distribution, in order of increasing local support for the University Center System in 1966-67, is shown in the following table:

	1966-67		
Locality	Contribution	Enrollment	Cost Per Student
Marinette County	$ 17,780	314	$ 57
Marshfield-Wood Co.	22,040	342	64
Manitowoc County	26,880	370	73
Marathon County	30,130	591	51
Sheboygan County	31,080	447	70
Rock County[14]	33,850	299	113 (start-up)
Fox Valley	45,070	647	70
City of Racine	46,220	779	59
Kenosha	48,250	724	67
Waukesha County[15]	52,800	401	132 (start-up)
Brown County	65,030	997	65
TOTAL	$419,130	5,911	
Average			$ 71

[14]First year of operation.

[15]Ibid.

As the previous table indicates, the local cost per student for center operating expenses in 1966-67 varied from a maximum of $132 for the start-up cost of the Waukesha County Center to a minimum of $51 for the Marathon County Center, with the Center System 1966-67 average local contribution (per student) for current operations being approximately $71.

Starting with this 1966-67 per-student cost of $70.91 ($419,130 ÷ 5,911), and assuming a 5% annual increase in costs, the estimated local contributions for the current operations of 12 University Centers (the Brown County Center becomes an integral part of the UW-Green Bay campus on July 1, 1969) and 4 branch campuses of the State Universities (assuming the opening and continued operation of the proposed Taylor County branch Campus at Medford) would be approximately $1,485,800 for the 1969-71 biennium.[16]

The relative ability of localities to support centers and branch campuses[17]--based on 1966 per capita full valuation--varied from $8,560 for Waukesha County to $3,608 for Taylor County (proposed branch); with the statewide average at $6,382. The distribution of 1966 per capita full valuation of localities supporting two-year collegiate institutions, in order of increasing ability to pay, follows:

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[16]See Appendix E for detailed calculations.

[17]See Appendix B for detailed calculations, and Appendix D for comparative display.

Taylor County (proposed branch)	$3,608
Richland County	$4,123
Barron County	$4,801
Baraboo-Sauk County	$5,223
Marinette County	$5,663
Marathon County	$5,831
City of Racine	$5,935
Marshfield-Wood County	$6,104
Fond du Lac County	$6,164
Manitowoc County	$6,377
STATE AVERAGE	$6,382
Sheboygan County	$6,585
Brown County	$6,770
Rock County	$6,873
Kenosha (City and County)	$6,960
Fox Valley (Outagamie and Winnebago Counties)	$7,391
West Bend-Washington County	$7,857
Waukesha County	$8,560

The average per capita full valuation of the localities contributing to the support of the University centers is $6,810 which is significantly above the average per capita full valuation of $5,512 for the three counties supporting State University branch campuses (if Taylor County is included in the computations, the average per capita full valuation for counties supporting branch campuses drops to $5,278).

Note: The average per capita full values of localities were computed as follows (000 omitted):

$7,254,575 ÷ 1,065,250 = $6,810 for 13 University centers
$700,280 ÷ 127,040 = $5,512 for 3 branch campuses
$764,654 ÷ 144,880 = $5,278 for 4 branch campuses

VOCATIONAL-TECHNICAL FINANCING

The local vocational-technical institutions, which operate under the general supervision of the Board of Vocational, Technical and Adult Education, were entirely municipal institutions until July 1, 1967, and were funded as shown below for the 1965-67 biennium:

VTAE Revenue Sources	% 1965-66	% 1966-67
Local Tax Levy	50.9	44.8
Federal Aid	16.4	20.0
State Aid	14.5	16.9
Tuition and Fees	9.1	9.8
Other Receipts	9.1	8.5
	100.0	100.0

The technical colleges and institutes are the foremost institutions in Wisconsin's vocational-technical system, and have generally been funded at a higher level of local support than the above table, which is for the entire system, indicates. The vocational-technical disbursements for 1965-67, also on a system-wide basis, were as follows:

VTAE Expenditures	% 1965-66	% 1966-67
Salaries	59.8	55.4
Supplies and Operating Expenses	17.5	18.6
Building Maintenance	5.9	4.5
New Construction	10.1	14.2
Equipment	6.7	7.3
	100.0	100.0

It is not possible to differentiate the receipts for physical facilities and equipment. The local tax levy includes bonding for capital outlay

for some institutions, and not for others; while the federal aid includes funds for categorical programs, as well as for capital outlay.

Since the local support of vocational-technical education is financed by property tax levies, the costs to localities are analyzed on the basis of the following assumptions:

1. Because the entire state is in the process of establishing area districts, the local funding of vocational-technical education should be considered on a district rather than a municipal basis.

2. The property tax will continue to be the main vehicle for the generation of district revenues.

3. Utilization of the full valuation of each district will equalize differential assessment rates experienced in and among districts.

4. A relatively constant number of property taxpayers can be assumed to exist per unit of population.[18]

5. Populations and full valuations of area districts on a county-line basis[19] will approximate the populations and full valuations of districts computed by a combination of county lines and school district boundaries (i.e., all district calculations[20] followed county lines, except that Lincoln County was apportioned 50% to District #15 and 50% to District #16).

6. Per capita full valuation is a meaningful index of the relative ability to pay of the vocational-technical districts.

7. Area districts will be committed to the tax levies prescribed by Chapter 47, Laws of 1967, i.e., a maximum of 2 mills on the full

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[18] Washburn, loc. cit.

[19] Property Tax 1966, loc cit.

[20] See Appendix C.

value of taxable property of the district for making capital improvements, acquiring equipment and maintaining the schools of the district; in addition, each district may borrow and issue bonds up to 2% of the value of its taxable property for the purchase of sites and the construction and equipment of schools.

8. The maximum operating revenues and limit of outstanding indebtedness for each district will be in the approximate relationship of the 1966 full valuations listed in Appendix C. Ten districts (numbers 1, 2, 3, 5, 7, 14, 15, 16, 17 and 18) would generate under $2 million from a 2-mill tax levy for operating revenues, and have a debt limit of under $20 million. Five districts (numbers 6, 8, 10, 11 and 13) would realize between $2 and $3 million from a 2-mill levy. District #12 would generate between $3 and $4 million, and District #4 would realize slightly over $5 million in operating revenues. The Milwaukee District (#9) would realize approximately $13,500,000 from a 2-mill levy and have a debt limit of $135,500,000. (All figures are from 1966 data.)

9. When the ability of each district to support vocational-technical education is measured on the basis of per capita full valuation, the relative distribution will approximate that obtained (from 1966 data) in Appendix D.

The present state aids for locally operated vocational-technical programs[21] provide:

1. 80% of instructional salaries incurred in statewide, full-time technical programs designated and approved by the Board;

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[21]Section 41.21, Wisconsin Statutes (1965).

2. 100% of instructional salaries incurred in statewide, full-time collegiate transfer programs designated and approved by the Board;

3. 80% of administrative, supervisory and coordination salaries as approved by the Board in vocational programs not qualifying for aid under 1. above, but not to exceed 35% of instructional salaries, whichever is less, and not to exceed $8,500 for each school;

4. 15¢ per student period for courses which have a vocational objective and which are approved by the Board. (For apprenticeship, compulsory and driver education students, aids may be based on a minimum of 10 students per class period of actual attendance, regardless of the number of students actually attending.)

The existing formula encourages the wide development of state and regionally-oriented technical curricula, and the aid program (which is paid retroactively for the previous fiscal year) is relatively easy to administer at the Board level. However, the formula is not related to a locality's effort and/or ability to support vocational-technical education, i.e., the district is neither required to meet a minimum standard of financial support, nor is its financial ability taken into account in the allocation of aids. State aids cover approximately 35% of full-time vocational-technical and collegiate transfer programs, whereas the 15¢ formula provides approximately 14% of the instructional cost of part-time vocationally-oriented programs. Such discrepancy in state support results in a disproportionate emphasis on the development of two-year associate degree programs. Aids based upon the instructional salaries of technical and transfer programs produce a dysfunctional

effect on the collective bargaining process between district boards and their teachers who argue that local ability to pay is only slightly related to teacher salaries because the district funds only 20% of instructional salaries for technical programs while the state funds the total instructional salaries for collegiate transfer programs. In addition, in the case of those areas already organized as districts, there is some difficulty in the determination of what constitutes a "school" for purposes of the $8,500 state aid for administrative, supervisory and coordination salaries; this is a relic from municipal schools, and is not a formula applicable to a statewide system of area districts. While the state does not fund adult education of an avocational nature, the differential treatment and support levels for vocational, technical and transfer courses appears unjustified. Lastly, the present aid formulas provide only minimal information for management and planning efforts; the accumulation of student period and instructional salary information is not especially germane to planning-programming-budgeting at either the district or Board level.

Any revised state aid formula for funding program operations of local vocational-technical education should achieve the following policy goals:[22]

1. Encourage the creation and continuation of the strongest possible area vocational-technical districts. Strength is to be measured by

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[22]As expressed by the ad hoc formula review committee composed of staff personnel from the Board office, CCHE and Department of Administration, who were requested by the Board's Director in March, 1968, to assist in the development of alternative vocational-technical aid formulae for Wisconsin.

academic program quality, which in turn is measured by potential enrollment, local ability to pay, and program quality standards implemented by the Board of Vocational, Technical and Adult Education.

2. Encourage the even growth of a quality vocational-technical program throughout the state. The emphasis should be on "even." Therefore, to the extent possible, the vocational-technical formula should not encourage marginal operations, thus emphasizing the development of a strong system of quality programs.

3. Encourage optimum utilization of all available resources at both the district and state levels. The formula should allocate state dollars on an efficient and effective basis, giving only such state support as will meet but not exceed each district's needs. Thus, the state would achieve optimum utilization of limited financial resources by providing the "right" amount of aid to each district without providing "surplus" funds to any particular district.

4. Encourage districts to bear their share of the cost of vocational-technical education commensurate with area resources. Area districts should bear a share of the financial burden to retain the existing local-federal-state funding pattern.

In addition, any revised state aid formula for vocational-technical education should also accomplish the following administrative objectives:[23]

1. Emphasize the entire manpower needs of the state. Aids for collegiate transfer, associate degree, and vocational (including part-time) programs should be relatively equal so none of the three types is favored over the other two. If this is done, all state manpower training needs

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[23] Ibid.

would be funded at the same level and the state aid formula by itself would not encourage district boards to place disproportionate emphasis on the associate degree as opposed to vocational and part-time programs.

2. Encourage comparison with other systems of post-high school education. This requires abandonment of the instructional salary and "clock hour" concepts, and acceptance of one "full-time equivalent" (FTE) designation for all students.

3. Emphasize the planning-programming-budgeting of vocational-technical education at all levels, and for all functional areas. The formula for state support should encourage the development of a methodology for more accurately forecasting student enrollments and predicting future operating costs, and provide the basis for comparing these costs with other education programs--including public educational programs, such as elementary and secondary education, conducted at the local level.

4. Encourage maximum flexibility for accommodating educational and operational needs at the district level compatible with broad state educational objectives and standards. Aid should not be allocated on a programmatic or categorical basis.

Before proceeding to a discussion of the mechanics of alternative aid formulas, the policy decisions of the Coordinating Council with respect to the state support of vocational-technical education should be briefly outlined, so they may be kept in mind when the alternative aid formulas are presented. The major policy issues which will confront

the Council in their decisions on the Board's 1969-71 biennial budget request are:

1. *The level of state aids appropriate for vocational-technical education,* i.e., the percentage of operating costs per FTE student that should be supported by state funds. Should the funding be increased to 65-75% to be commensurate with the support levels of the branch campuses of the State Universities and the University of Wisconsin Centers; should the aidable FTE cost of operations computed on a statewide basis be escalated to account for the increase in costs from the 1966-67 base; should it be at the 1967-68 full claims level of 31% for 1966-67 enrollments; should it be at the 1967-68 actual payments[24] level of 28% for 1966-67 enrollments; or should the aidable percentage be at some other funding level? Should there be one level of state support for vocational-technical education, or should state aids differentiate between those areas which do, and those which do not, appear to have the enrollment potential to become quality districts (e.g., capable of generating sufficient enrollment to justify the opening and economical operation of a major technical institution)? Should there be one level

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[24]Section 41.24(4), Wisconsin Statutes (1965) provides, "If the appropriation available for state aids in any one year . . . is insufficient to pay the full amount as provided . . . the payments shall be prorated among the various districts entitled thereto." State aids for 1966-67 operations were prorated, and actually paid on the following basis in 1967-68: 73% of instructional salaries for technical programs, 92% of instructional salaries for collegiate transfer programs, 13¢ per student period for courses having a vocational objective, and $7,600 for administrative, supervisory and coordination salaries. It would have required $625,800 more than the $6,016,000 actually appropriated for 1967-68 to pay the full amount of state aids for all eligible 1966-67 claims.

of state aid for on-going programs and another to accommodate "start-up" costs of marginal operations? Regardless of the aid formula used, it is critical that the Wisconsin Board of Vocational, Technical and Adult Education define and implement program quality standards prior to the July 1, 1970 deadline for the establishment of the statewide system of area vocational-technical districts.

2. *Whether state support should be on the basis of an "ability-to-pay" or "flat grant" formula.* Ability to pay, as measured by the per capita full valuation of each district, would provide an equitable method of allocating state aids which would not only be simple to calculate and determine, but also provide for variation in local financial ability and permit aids to be apportioned on the basis of the fiscal need of each individual district (e.g., in the inverse ratio that the per capita full valuation of the district bears to the statewide average per capita full valuation). The flat grant formula would provide a uniform amount of aid per FTE student from state funds; aid to a district would be the product of FTE enrollment multiplied by the aidable percentage of FTE student cost. The ability-to-pay formula, while better satisfying the goals and objectives perviously delineated for a revised state aid formula, presents certain difficulties which may make the flat grant formula more acceptable for marginal operations.

3. *The funding basis for a full-time equivalent student,* i.e., one overall cost for all students, or a differential funding of FTE students enrolled in "full-time" and "part-time" programs. A composite FTE would be comparable with other post-high school public educational systems, be of greater utility in the management and planning of vocational-

technical education at all levels and in most areas of functional responsibility, be relatively easy to adminster and calculate (e.g., total credits or contact hours of instruction divided by the appropriate FTE figure), and permit comparability among the various vocational-technical programs and student clientele groups. The issue which must be decided in a split funding of FTE students enrolled in "full-time" and "part-time" programs is whether or not the resultant dollar "saving" is worth violating the administrative objectives and advantages of a composite FTE student.

In the creation of alternative aid formulae, a full-time equivalent student cost for all students enrolled in the vocational-technical system in 1966-67 (most current data now available) was derived. The composite FTE operating cost for all aidable students (associate degree, collegiate transfer, and vocational) was $1,016 in 1966-67, which excludes the cost of new building construction, debt service, etc. There was a total of 22,210 FTE students enrolled in the vocational-technical system in 1966-67; of this number, 20,911 were enrolled in state-aided programs. The actual calculations of the cost per FTE student are:

$$\frac{\$23,638,900}{22,210} = \frac{\text{total VTA school operational costs, 1966-67}^{25}}{\text{total FTE enrollment, aided and non-aided, 1966-67}} = \$1,019 \text{ total cost per FTE student}$$

$$\frac{\$21,244,120}{20,911} = \frac{\text{portion of total operations eligible for state aid}^{26}}{\text{total state-aided FTE enrollment, 1966-67}} = \$1,016 \text{ cost per "state-aided" FTE}$$

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[25] Does not include such self-supporting activities as book and cafeteria sales, receipts from the state-supported rehabilitation activities, revenue from local boards of education and the federal work-study program, etc.

[26] Includes faculty, services and supplies, instructional equipment, etc. which are involved in operating state-aidable programs; this amount does not include financing of avocational programs which are entirely locally funded, and are not eligible for state aids.

The development of FTE student enrollment and cost indicators not only form the cornerstone of revised aid formula calculations, but are also necessary for improved planning-programming-budgeting of vocational-technical education regardless of the aid formula adopted.

The 1967-68 appropriation for state aid to the 1966-67 enrollment was $6,016,000 while the full claims for eligible aid totaled $6,641,800. Thus, the state would have aided vocational-technical programs in 1966-67 at 31% ($6,641,800 claims ÷ $21,244,120 operating cost) on a full-claims basis, whereas in actuality the aids paid in 1967-68 were only at 28% ($6,016,000 available funds ÷ $21,244,120 operating cost). In selecting the aidable percentage of operational costs per FTE student, the 1966-67 actual payments level of 28% has been used as the appropriate support factor for demonstration of alternative aid formulas, because this percentage represents the most current actual experience. However, to ensure comparability with the University and State University systems (whose enrollment increases will be funded at the 1968-69 operational level for the 1969-71 biennium), the 1966-67 aidable operational cost per FTE student of $1,016 has been escalated 5% annually to obtain an aidable operating cost basepoint of $1,120 per FTE student for 1968-69 to account for the increase in operating costs since 1966-67.

The more viable alternatives to the present formulae for state aids to vocational-technical education are included in the following methodologies:

1. ABILITY-TO-PAY FORMULA. Ability to pay can easily be calculated by the percentage relationship which exists when each district's per capita full valuation is divided by the statewide average per capita full valuaton (e.g., Milwaukee County's [District #9] per capita full valuation of $6,516 ÷ the statewide average per capita full valuation of $6,382 = 102.1%) as shown below (all calculations from 1966 data):

District	%	District	%	District	%
1	73.2	7	109.0	13	98.2
2	70.2	8	134.1	14	89.4
3	77.3	9	102.1	15	79.0
4	114.6	10	103.6	16	131.7
5	106.7	11	108.4	17	64.1
6	122.9	12	110.7	18	83.8

Next, the statewide per capita full valuation is equated to the percentage of each FTE student's operational cost that would be aided by the state. The formula would fund 28% of the cost of each FTE student, if a district's per capita full valuation is between 97.51% and 102.50% of the statewide average. Aids would be allocated in the inverse ratio that each district's per capita full valuation bears to the statewide average. The following scale for relating district valuations to the percentage of state aid for which each district is eligible has been calculated at a ratio of 4.99 (valuation) to .5 (state aid) to minimize an extreme spread between those districts with the most and least ability to support vocational-technical education, while still grouping districts with relatively similar per capita valuations in the same aidable percentage bracket:

District Per Capita Full Value as a % of the Statewide Per Capita Full Value	Percent of the Aidable Cost per FTE Student Funded by the State	
147.51 - 152.50	23.0	
142.51 - 147.50	23.5	
137.51 - 142.50	24.0	
132.51 - 137.50	24.5	
127.51 - 132.50	25.0	
122.51 - 127.50	25.5	
117.51 - 122.50	26.0	
112.51 - 117.50	26.5	
107.51 - 112.50	27.0	
102.51 - 107.50	27.5	
97.51 - 102.50	28.0	STATEWIDE AVERAGE
92.51 - 97.50	28.5	
87.51 - 92.50	29.0	
82.51 - 87.50	29.5	
77.51 - 82.50	30.0	
72.51 - 77.50	30.5	
67.51 - 72.50	31.0	
62.51 - 67.50	31.5	
57.51 - 62.50	32.0	
52.51 - 57.50	32.5	
47.51 - 52.50	33.0	

In the remaining computations in this formula, the statewide average aidable cost of operations per FTE student (e.g., $1,120) is multiplied by the percent of the aidable cost per FTE student which is funded by the state for each district (e.g., $1,120 x 28% = $314) and the resultant product is multiplied by the number of FTE students to determine each district's state aid, as shown below using District #9 as an example:

District's Value as a % of the State Average	Aidable % of $1,120 Average FTE Cost[27]	Aidable Cost Per FTE Student	(x)	Estimated 1968-70 FTE Students	(=)	Estimated 1969-71 State Aid
102.1	28.0%	$314		25,178		$7,905,890

[27] From preceding table.

The complete calculations for this formula, which would require approximately $18,624,500 in state aids for the 1969-71 biennium, are presented in Appendix F.

2. FLAT GRANT FORMULA. Using this methodology, and following the assumptions previously outlined as appropriate (i.e., an estimated average 1968-69 FTE student operating cost of $1,120 as aidable, and 28.0% as the state support level), the statewide average operational cost per FTE student is multiplied by the aidable percentage of the FTE student operating cost to obtain the state aid per FTE, and this product is multiplied by the enrollment to derive the state aid. This formula, which would require approximately $18,646,300 for state aids in 1969-71, is shown in the following example:

Average Cost per FTE Student	(x)	Aidable % of Average FTE Cost	(=)	Aidable Cost per FTE Student	(x)	Estimated 1968-70 FTE Students[28]	(=)	Estimated 1969-71 State Aids
$1,120		28.0%		$314		59,383		$18,646,260

3. DIFFERENTIAL FUNDING OF "FULL-TIME" AND "PART-TIME" F.T.E. STUDENTS' FORMULA. This alternative uses an entirely different methodology and set of assumptions than those presented above. Using the 1966-67 base year (most current data now available), the FTE student operational cost for "full-time" programs was $965, excluding non-aidable and self-supporting activities. The level of state support for "full-time" programs in 1967-68 would have been 37% or $361 per "full-time" FTE student <u>if</u> all eligible claims would have been paid; likewise, $180 represents the aid level that would have been attained in 1967-68 for

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[28]Total FTE student enrollment estimated by the Board.

<u>Note</u>: Using the 1966-67 full claims level of 31%, the ability to pay formula would require approximately $20,589,300 (see Appendix G), and the flat grant formula approximately $20,605,900 for the 1969-71 biennium ($1,120 x 31.0% = $347 x 59,383 = $20,605,900).

FTE students in "part-time" programs if all eligible claims had been paid in full.[29] This formula multiplies the 1967-68 full claim level of state aid for FTE students in "full-time" and "part-time" programs by the estimated 1968-70 enrollments, and the resultant products are summed to obtain the amount of state aids paid in 1969-71, as shown below:

	Aidable Cost Per FTE Student	(x)	Estimated 1968-70 FTE Students	(=)	Estimated 1969-71 State Aids
"Full-Time" Program FTE Students	$361		46,883		$16,924,800
"Part-Time" Program FTE Students	$180		12,500		2,250,000
TOTAL			59,383		$19,174,800

As indicated by the above table,[30] this formula--which was endorsed by the Wisconsin Board of Vocational, Technical and Adult Education at their August 14, 1968 meeting--would require $19,174,800 in state aids for the 1969-71 biennium. If the 1967-68 full claims level of 37% state aid for "full-time" programs were extended to all aidable programs, an estimated $22,328,000 would be required for 1969-71 (actual 1966-67 cost of $1,016 per "state-aided" composite [all programs] FTE student x 37.0% aid = $376 x 59,383 FTE's = $22,328,000).

To best achieve the policy goals and accomplish the administrative objectives stated previously, marginal operations would be excludedffrom the ability-to-pay formula which would be used to allocate funds only

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[29]Full claims totaled $6,641,800 whereas the appropriation available was $6,016,000 which resulted in a proration of 9.1% in the state aids for 1966-67 vocational-technical operations which were paid in 1967-68.

[30]Calculated from "Summary of Budget Request 1969-1971," Wisconsin Board of Vocational, Technical and Adult Education (August 1968), appendix 1.

Note: Using the 1966-67 actual payment levels of 34.8% or $336 for FTE's enrolled in "full-time" programs and $135 for FTE's enrolled in "part-time" programs, the WBVTAE formula would require approximately $17,440,200 for the 1969-71 biennium.

to quality programs, and marginal operations provided flat grants at a level below that given quality programs. Aiding quality and marginal operations at differential levels would not only rank each area with its peers, but would also indicate the extent of the state's commitment to development of quality vocational-technical education for the citizens of Wisconsin. In order to aid marginal operations at a lower level of support than is provided for quality programs so that the state will achieve optimum utilization of available resources, the Wisconsin Board of Vocational, Technical and Adult Education must define and implement additional program quality standards for those district operations which will be eligible for state aid in the 1969-71 biennium.

CAPITAL OUTLAY

The capital expenditures required of the localities supporting centers and branch campuses include the cost of buildings, land, and the necessary improvements. The annual cost of this capital outlay for the 1966-67 operation of the then 11 existing centers ranged from a maximum of $103,700 for the Waukesha County Center to a minimum of $24,000 for the Marinette County Center. The following table in order of increasing annual local support displays the original cost of buildings, land, and improvements, as well as the annualized capital cost (which was computed on the basis of a 35-year depreciation, with 2% interest on the cost of buildings and 4% interest on the cost of land improvements):

Locality	Buildings	Land and Improvements	1966-67 Annual Cost	Enrollment	Cost Per Student	
Marinette County	$ 463,210	$ 38,280	$ 24,030	314	$ 77	
Marathon County	595,870	18,000	29,660	591	50	
Marshfield-Wood Co.	637,880	78,070	34,100	342	91	
Sheboygan County	865,590	102,130	46,130	447	103	
Rock County[31]	840,290[33]	173,400	47,760	299	160	(start-up)
Fox Valley	903,500	105,500	48,100	647	74	
Manitowoc County	825,260	205,240	48,200	370	130	
Brown County	1,332,230	65,100	67,310	997	68	
Kenosha	1,716,290	175,350	90,380	724	125	
City of Racine	1,730,110	439,750	101,620	779	130	
Waukesha County[32]	1,882,580[34]	307,450	103,740	401	259	(start-up)
TOTAL	$11,792,810	$1,708,270	$641,030	5,911		
Average			$ 58,275		$108	

As this table indicates, the total cost of buildings, land, and improvements for these 11 centers (as of 1966-67) was $13,501,080. The annualized capital outlay cost per student ranged from a maximum of $259 for the Waukesha County Center start-up costs to a minimum of $50 for the Marathon County Center, with the average local contribution per student in 1966-67 for capital expenditures being approximately $108.

For comparative purposes, the local contribution for capital outlay at the Barron County Branch Campus included $1,716,110 for buildings, and

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[31] First year of operation.

[32] Ibid.

[33] Adjusted cost after deducting federal grant under Title I Act.

[34] Ibid.

$65,000 for land and improvements which--following the methodology explained previously--would result in an annual capital expenditure of $89,950; this figure divided by the 1967-68 enrollment of 184 results in a local capital outlay cost per student of $489 (for 1967-68).

Using the average 1966-67 cost of the then existing 11 centers of $58,275 ($641,030 ÷ 11), the 1969-71 local cost of capital outlay for 12 centers would be $1,398,600; extending the 1967-68 cost to Barron County to 3 branch campuses (and using one-half of this for the proposed Taylor County Branch Campus) the 1969-71 local cost of capital expenditures for 4 branches would be $629,600; these estimates would result in a local capital outlay cost for two-year collegiate institutions of approximately $2,028,000 for the 1969-71 biennium.

The state finances the equipment cost of the centers and branch campuses, except for that portion funded by the federal government. The total equipage costs of these freshman-sophomore collegiate institutions varied from a maximum of $356,000 for the Waukesha County Center to a minimum of $150,000 for the Marinette County Center, with an average cost to the state of $208,300; as shown in the following table:

University Centers:	Equipment Costs Federal	State	Total
Marinette	-	$ 150,000	$ 150,000
Marshfield-Wood	-	178,000	178,000
Brown	-	189,000	189,000
Sheboygan	-	190,000	190,000
Manitowoc	-	210,000	210,000
City of Racine	-	235,000	235,000
Rock County	$ 86,990	163,010	250,000
West Bend-Washington	86,410	183,590	270,000
Fox Valley	-	295,000	295,000
Baraboo-Sauk	-	300,000	300,000
Marathon	87,880	232,120	320,000
Kenosha	-	320,280	320,280
Waukesha	109,790	246,210	356,000
Center Subtotal	$371,070	$2,892,210	$3,263,280
Branch Campuses:			
Richland	$ 68,000	$ 102,000	$ 170,000
Barron	88,890	133,330	222,220
Fond du Lac	79,800	205,200	285,000
Branch Campus Subtotal	$236,690	$ 440,530	$ 667,220
CENTER & BRANCH TOTAL	$607,760	$3,332,740	$3,940,500
Average	$86,823	$208,296	$246,281

FISCAL ALTERNATIVES

The major alternatives to the present financing of two-year institutions of public post-high school education, and their fiscal consequences, include the following approaches:

1. The state could equalize the bases for computing tuition charges for liberal arts transfer education between the collegiate institutions and the technical colleges. One means of accomplishing this would be to amend the legislation pertaining to vocational-technical education to provide that annually the Board shall establish uniform fees, based on 20% of the statewide average operational costs of liberal arts collegiate

transfer programs in area districts, which district boards shall charge residents of this state enrolled in such programs.

2. The legislation pertaining to tuition reimbursements among area vocational-technical districts could be amended to provide that the district of residence is not liable for payment for those students who enroll in a collegiate transfer program in another district, if there is located within the district of residence a public institution of higher education offering a collegiate transfer program.

3. The state could entirely fund the one-half of custodial service costs presently borne by those localities supporitng centers and branch campuses, at an estimated cost of approximately $567,700 for 1969-71, or an increased percentage thereof at approximately $56,800 for each additional 5% increment of total custodial costs which the state would fund during the biennium (see table 1 of Appendix H).

4. The state could finance the total costs of the utilities and continuing maintenance now funded entirely by those localities contributing to the support of two-year collegiate institutions, which would require approximately $918,100 for the biennium, or some percent thereof at an estimated cost of $91,800 per 10% of state funding for 1969-71 (see table 2 of Appendix H).

5. The state could relieve the localities supporting centers and branches of their total share of operating expenses at an estimated cost of $1,485,800 for the biennium (see Appendix E); or, on the basis of per capita ability to pay, the state could relieve localities of their share of current operating expenses over a period of several biennia.

6. The state aid formula for vocational-technical education could be amended to provide[35] for:

A. An ability to pay formula paying aids on the basis of an estimated 1968-69 cost per composite FTE student at the 1967-68 actual payments level of 28% (which would require approximately $18,624,500 for 1969-71), or at the 1967-68 full claims level of 31% (at an estimated cost of approximately $20,589,300 for the biennium).

B. A flat grant formula paying aids on the basis of an estimated 1968-69 cost per composite FTE student at the 1967-68 actual payments level of 28% (which would require approximately $18,646,300 for 1969-71), or at the 1967-68 full claims level of 31% (at an estimated cost of $20,605,900 for the biennium).

C. A combination ability to pay and flat grant formula in which 1969-71 state support for aidable 1968-70 vocational-technical operations would be computed and allocated in a manner similar to the following:

(1) An ability to pay formula for quality program operations paying aids on the basis of an estimated 1968-69 statewide average operational cost per composite FTE student;

(2) That in the ability to pay formula, as measured by the per capita full property valuation of each vocational-technical district, the aidable percentage be increased 1%, or portion thereof, each year until aids are paid at a maximum aidable percentage of 33-1/3% of the estimated full claims level for aidable operations;

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[35]See Appendix I for comparative display.

(3) A flat grant formula at a level of support less than that provided quality program operations be determined by the Board (e.g., on the basis of potential enrollment, program quality standards, and local ability to pay) and approved by the CCHE for marginal program operations.

(4) A combination ability to pay and flat grant formula such as this would require approximately $18,879,900 at the 1967-68 actual payments level[36] of 28% for 1969-70 and 29% for 1970-71, or an estimated $20,890,400 at the 1967-68 full claims level[37] of 31% for 1969-70 and 32% for 1970-71.

D. A modified ability to pay formula paying aids on the basis of an estimated 1968-69 statewide average operating cost per composite FTE student at the 1967-68 actual payments level[38] of 28% in 1969-70 (which would require approximately $18,926,500 for 1969-71), or at the 1967-68 full claims level[39] of 31% in 1969-70 for the statewide average per capita full property valuation (at an estimated cost of $20,937,000 for the biennium); with the aidable percentage to increase 1%, or portion thereof, annually thereafter until aids are paid at a maximum aidable percentage of 33-1/3% of the estimated full claims level for aidable operations.

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[36]See Appendix J for hypothetical computations.

[37]See Appendix K for hypothetical computations.

[38]See Appendix L for detailed calculations.

[39]See Appendix M for detailed calculations.

E. A differential funding of FTE students enrolled in "full-time" and "part-time" programs paying aids on the basis of the actual 1966-67 per student cost, at either the 1967-68 actual payments level of $336 for FTE's in "full-time" programs and $135 for FTE's in "part-time" programs (which would require approximately $17,440,200 for 1969-71); or at the 1967-68 full claims level of $361 for FTE's in "full-time" programs and $180 for FTE's in "part-time" programs (at an estimated cost of approximately $19,174,800 for the biennium).

F. If categorical aids are considered, perhaps there should be separate state support of libraries and instructional equipment. Based on the 1966-67 cost per FTE student for the then existing 11 centers, increased 5% annually, it is estimated that comparable library support[40] would require approximately $5,280,200 for such aids paid in 1969-71. The average equipage cost to the state for the centers and branch campuses was $208,300 which should be considered as the minimum aid to major technical institutions for comparable state support; if this amount were allocated to each of the present 18 area districts for instructional equipment costs, it would require approximately $3,749,400 in state funds. (It should be noted, however, that library and equipage costs have been included in the operational cost per FTE student in the computations of all alternative aid formulae.)

G. Another funding level for support of vocational-technical education for all eligible claims, e.g., one-third local, one-third state,[41]

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[40] See table 1 of Appendix N.

[41] See table 2 of Appendix N for detailed calculations.

and one-third federal financing at an estimated state cost of approximately $22,169,500 for the biennium.

H. A funding commensurate to the 65-75% state support of two-year collegiate institutions, at an estimated cost of approximately $43,230,800 at 65%, $46,556,300 at 70%, or $49,881,700 at 75% for 1969-71 (calculated using the assumptions and methodology of the flat grant formula previously explained).

7. Localities sharing in the support of freshman-sophomore institutions could donate the campuses to the state, or the state could purchase the buildings, land and improvements; however, the constitutional prohibition of internal improvements[42] would appear to preclude the state's financing the debt service incurred by localities for physical facilities.

8. The state could assume the financing, except for federal aid and debt service, of all two-year public higher education; relieving all localities of their support of operating expenses for centers, branches, and vocational-technical education.

9. Freshman-sophomore public post-high school education could be made available without charge by the state to all individuals who seek and can profit from such experience. (The loss of the $238 per year basic fee from the estimated 1969-71 enrollment at the centers and branches alone would require an additional $4,199,500 in state funds for the biennium.)

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[42] Wisconsin Constitution, Article VIII, Section 10.

RECOMMENDATIONS

In the 1969-71 financing of two-year institutions of public higher education in Wisconsin, IT IS RECOMMENDED THAT:

1. Two-year institutions should serve as the focal point for meeting the continuing and adult education needs of their localities; however, no curricula above the freshman-sophomore level should be offered by these campuses.

2. The University centers and branch campuses of the State Universities should remain nonresidency institutions serving primarily commuting students; and that no state funds be allocated for the planning, construction, or operation of residence halls at these campuses.

3. The basic fee for full-time resident students enrolled in a liberal arts collegiate transfer curriculum at the technical colleges be established at a percentage of total operating costs equivalent to that used for the centers and branches; so that full-time resident fees for all collegiate transfer courses in two-year institutions of public higher education (whether a center, branch campus, or technical college) shall be computed on equivalent bases in 1969-71. (For example, an average operating cost of $1,190 per FTE student at the centers and branch campuses multiplied by 20% would result in a basic fee of $238 for resident students or $119 per semester; similarly, an average operational cost of $790 per FTE student enrolled in liberal arts curricula at the Madison, Milwaukee [and Rhinelander] technical colleges multiplied by 20% would result in a basic fee of $158 for Wisconsin

residents or $79 per semester at these technical colleges.) Thus, although the basic fees are different for the collegiate institutions and technical colleges, all liberal arts collegiate transfer fees for full-time resident students would be computed at the same 20% of operating costs.

4. The per credit fee for part-time resident students enrolled in a liberal arts curriculum be established according to a uniform credit load for the two-year institutions of all 3 public higher education systems in Wisconsin. (Now, the centers charge $10 per credit for part-time students carrying less than 8 credits per semester, and the branch campuses charge $10 per credit for part-time students carrying less than 12 credits; while in 1967-68 the Madison Area Technical College, for example, charged $3.22 per semester credit for all Wisconsin residents under 21. Thus, a part-time student carrying 8 credits would be charged $119 at a center, $80 at a branch campus, or $25.76 at the Madison Area Technical College for a liberal arts curriculum.)

5. Tuition reimbursements among area vocational-technical districts not apply to liberal arts collegiate transfer programs after June 30, 1969, where such opportunity is available in the district of residence.

6. The Regents of the University of Wisconsin and the Board of Regents of State Universities consider state funding of the total cost of custodial services, utilities, repairs and improvements for those localities supporting centers and branch campuses which consent, in revised lease agreements, to finance and construct the physical facilities necessary to accommodate the student enrollments estimated by the systems

and approved by the CCHE for each individual collegiate two-year campus (estimated biennial cost: $1,485,800).

7. The Wisconsin Board of Vocational, Technical and Adult Education define and implement additional program quality standards for those district operations which will be eligible for state aid in the 1969-71 biennium. For example, an enrollment potential at each district's major technical institution sufficient to permit a reasonable cost to the student, the district, and the state, such as: 760 full-time students, programs in 4 of the 6 subject areas of vocational-technical education, each subject field to offer at least 6 associate degree majors and 6 one-year or less programs, etc.

8. The Wisconsin Board of Vocational, Technical and Adult Education consider alternative aid formulae, particularly a modified ability-to-pay formula.[43] This alternative, using an estimated 1968-69 cost per composite FTE student based on aids at the 1967-68 full claims level of 31% for the average per capita full valuation in 1969-70 and 32% in 1970-71 would require approximately $20,937,000 for the biennium.[44]

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[43]See alternative 6.D. for full explanation.

[44]See Appendix M for detailed calculations.

TWO-YEAR INSTITUTIONS OF PUBLIC HIGHER EDUCATION IN WISCONSIN

Appendix B

1966 POPULATION AND FULL VALUATIONS FOR LOCALITIES FUNDING U.W. CENTERS AND W.S.U. BRANCH CAMPUSES

	POPULATION	FULL VALUE (000 OMITTED)	FULL VALUE PER CAPITA	ABILITY TO PAY RANK
BARRON COUNTY	34,270	$ 164,522	$4,800.75	15
BROWN COUNTY	125,080	846,845	6,770.42	6
FOND DU LAC COUNTY	75,090	462,866	6,164.15	9
50% Outagamie Co.	50,895	364,439		
50% Winnebago Co.	53,965	410,561		
FOX VALLEY	104,860	775,000	7,390.73	3
50% City	38,730	253,291		
50% County	50,310	366,435		
KENOSHA	89,040	619,726	6,960.09	4
MANITOWOC COUNTY	75,470	481,268	6,376.94	8
MARATHON COUNTY	88,870	518,185	5,830.82	12
MARINETTE COUNTY	34,660	196,267	5,662.64	13
RACINE, CITY OF	95,400	566,154	5,934.53	11
RICHLAND COUNTY	17,680	72,892	4,122.85	16
ROCK COUNTY	113,910	782,892	6,872.90	5
50% City	4,030	18,644		
50% County	18,580	99,449		
BARABOO-SAUK CO.	22,610	118,093	5,223.04	14
SHEBOYGAN COUNTY	86,480	569,470	6,584.99	7
TAYLOR COUNTY	17,840	64,374	3,608.41	17
40% City	5,400	42,595		
60% County	27,670	217,236		
WEST BEND-WASHINGTON CO.	33,070	259,831	7,857.00	2
WAUKESHA COUNTY	158,250	1,354,643	8,560.15	1
50% City	8,000	41,929		
50% County	29,550	187,272		
MARSHFIELD-WOOD CO.	37,550	229,201	6,103.89	10

1966 POPULATION AND FULL VALUATION FOR VTAE DISTRICTS (Following County Lines)

AREA VTA DISTRICTS	POPULATION	FULL VALUE (000 OMITTED)	FULL VALUE PER CAPITA	ABILITY TO PAY RANK	AMOUNT REALIZED FROM 2-MILL LEVY	2% OF FULL VALUATION DEBT LIMIT (000 OMITTED)
1	168,410	$ 787,051	$4,673.42	16	$ 1,574,100	$ 15,741
2	183,000	820,159	4,481.74	17	1,640,300	16,403
3	116,230	573,056	4,930.36	15	1,146,100	11,461
4	346,060	2,530,105	7,311.17	4	5,060,200	50,602
5	139,760	951,875	6,810.78	8	1,903,800	19,038
6	152,980	1,200,011	7,844.23	3	2,400,000	24,000
7	141,780	986,283	6,956.43	6	1,972,600	19,726
8	158,250	1,354,643	8,560.14	1	2,709,300	27,093
9	1,036,050	6,750,594	6,515.70	10	13,501,200	135,012
10	199,790	1,321,200	6,612.94	9	2,642,200	26,422
11	200,390	1,385,940	6,916.21	7	2,771,900	27,719
12	267,330	1,888,091	7,062.77	5	3,776,200	37,762
13	227,020	1,423,317	6,269.56	11	2,846,600	28,466
14	143,140	817,022	5,707.85	12	1,634,000	16,340
15	186,780	941,493	5,040.65	14	1,829,000	18,290
16	50,160	421,440	8,401.91	2	842,900	8,429
17	150,960	617,754	4,092.14	18	1,235,500	12,355
18	85,850	459,066	5,347.30	13	918,100	9,181
TOTAL ALL DISTRICTS	3,953,030	$25,227,105				
STATEWIDE AVERAGE			$6,381.71			

Appendix D

COMPARATIVE 1966 PER CAPITA FULL VALUATION FOR LOCALITIES FUNDING TWO-YEAR PUBLIC INSTITUTIONS OF HIGHER EDUCATION IN WISCONSIN

PER CAPITA ABILITY TO PAY RANK	COLLEGIATE		VOCATIONAL-TECHNICAL DISTRICTS		
(1)	Waukesha	$8,560	EIGHT	$8,560	Waukesha
(2)	West Bend-Wash. Co.	7,857	SIXTEEN	8,402	Rhinelander
(3)	Fox Valley	7,391	SIX	7,844	Kenosha
(4)	Kenosha	6,960	FOUR	7,311	Madison
(5)	Rock County	6,873	TWELVE	7,063	Appleton/Oshkosh
(6)	Brown County	6,770	SEVEN	6,956	Racine
(7)	Sheboygan County	6,585	ELEVEN	6,916	Manitowoc/Sheboygan
	STATE AVERAGE	6,382			
(8)	Manitowoc County	6,377	FIVE	6,811	Janesville/Beloit
(9)	Fond du Lac County	6,164	TEN	6,613	Fond du Lac
(10)	Marshfield-Wood Co.	6,104	NINE	6,516	Milwaukee
			STATE AVERAGE	6,382	
(11)	Racine, City of	5,935	THIRTEEN	6,270	Green Bay
(12)	Marathon County	5,831	FOURTEEN	5,708	Wisconsin Rapids
(13)	Marinette County	5,663	EIGHTEEN	5,347	River Falls
(14)	Baraboo-Sauk County	5,223	FIFTEEN	5,041	Wausau
(15)	Barron County	4,801	THREE	4,930	Richland Center
(16)	Richland County	4,123	ONE	4,673	Eau Claire
(17)	Taylor County	3,608	TWO	4,482	La Crosse
(18)	. . . . .		SEVENTEEN	4,092	Superior

Appendix E

LOCAL CONTRIBUTIONS FOR 1969-71 CURRENT OPERATIONS

	1966-67	1967-68	1968-69	1969-70	1970-71
Per Student Cost (with 5% annual increase)	$70.91	$74.45	$78.17	$82.08	$86.18
Center Enrollments:[1]					
Brown County	997	1,040	1,100	-	-
Fox Valley	647	666	688	749	807
Kenosha	724	750	791	919	1,000
Manitowoc County	370	384	379	399	425
Marathon County	591	539	590	659	734
Marinette County	314	364	415	420	433
Racine, City of	779	655	645	900	900
Rock County	299	508	551	609	665
Baraboo-Sauk County	-	-	160	250	310
Sheboygan County	447	464	470	498	542
West Bend-Washington County	-	-	250	360	400
Waukesha County	401	916	1,080	1,147	1,193
Marshfield-Wood County	342	292	329	344	337
Center Subtotal	5,911	6,578	7,448	7,254	7,746
Branch Campus Enrollments:[2]					
Barron County	116	184	300	316	343
Fond du Lac County	-	-	330	424	477
Richland County	-	294	350	365	382
Taylor County	-	-	-	151	187
Branch Campus Subtotal	116	478	980	1,256	1,389
Center & Branch Campus Total	6,027	7,056	8,428	8,510	9,135
Estimated Annual Cost[3]	$427,400	$525,300	$658,800	$698,500	$787,300
Estimated BIENNIAL COST		$1,184,100		$1,485,800	

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[1] Wisconsin CCHE #4 (1968), pp. 26 and 27.

[2] Ibid., p. 30.

[3] This represents the product of multiplying each year's per student cost by the total center and branch campus enrollment for that year, and rounding to the nearest $100 (e.g., $70.91 x 6,027 = $427,400).

Appendix F CCHE #113

1967-68 ACTUAL PAYMENTS LEVEL
CALCULATION OF 1969-71 "ABILITY-TO-PAY" VOCATIONAL-TECHNICAL
AID FORMULA FOR 1968-70 ENROLLMENT

VTAE Dist. No.	District's Value as a % of the State Average	Aidable % of $1,120 Average FTE Cost	Aidable Cost Per FTE Student	(x)	Estimated 1968-70 FTE Students[1]	(=)	Estimated 1969-71 State Aids
1	73.2	30.5	$342		2,672		$ 913,820
2	70.2	31.0	$347		1,900		659,300
3	77.3	30.5	$342		297		101,570
4	114.6	26.5	$299		6,117		1,828,980
5	106.7	27.5	$308		1,544		475,550
6	122.9	25.5	$286		2,435		696,410
7	109.0	27.0	$302		2,553		771,010
8	134.1	24.5	$274		1,128		309,070
9	102.1	28.0	$314		25,178		7,905,890
10	103.6	27.5	$308		1,603		493,720
11	108.4	27.0	$302		1,960		591,920
12	110.7	27.0	$302		2,910		878,820
13	98.2	28.0	$314		2,316		727,220
14	89.4	29.0	$325		1,425		463,130
15	79.0	30.0	$336		3,207		1,077,550
16	131.7	25.0	$280		238		66,640
17	64.1	31.5	$353		1,603		565,860
18	83.8	29.5	$330		297		98,010
TOTAL					59,383		$18,624,470

[1]Total enrollment estimated by Board; district enrollments allocated by CCHE staff.

1967-68 FULL CLAIMS LEVEL
CALCULATION OF 1969-71 "ABILITY-TO-PAY" VOCATIONAL-TECHNICAL
AID FORMULA FOR 1968-70 ENROLLMENT

VTAE Dist. No.	District's Value as a % of the State Average	Aidable % of $1,120 Average FTE Cost	Aidable Cost Per FTE Student (x)	Estimated 1968-70 FTE Students[1] (=)	Estimated 1969-71 State Aids
1	73.2	33.5	$375	2,672	$ 1,002,000
2	70.2	34.0	$381	1,900	723,900
3	77.3	33.5	$375	297	111,380
4	114.6	29.5	$330	6,117	2,018,610
5	106.7	30.5	$342	1,544	528,050
6	122.9	28.5	$319	2,435	776,770
7	109.0	30.0	$336	2,553	857,810
8	134.1	27.5	$308	1,128	347,420
9	102.1	31.0	$347	25,178	8,736,770
10	103.6	30.5	$342	1,603	548,230
11	108.4	30.0	$336	1,960	658,560
12	110.7	30.0	$336	2,910	977,760
13	98.2	31.0	$347	2,316	803,650
14	89.4	32.0	$358	1,425	510,150
15	79.0	33.0	$370	3,207	1,186,590
16	131.7	28.0	$314	238	74,730
17	64.1	34.5	$386	1,603	618,760
18	83.8	32.5	$364	297	108,110
TOTAL				59,383	$20,589,250

[1] Ibid.

LOCAL CONTRIBUTIONS FOR OPERATING EXPENSES IN 1969-71

	1966-67	1967-68	1968-69	1969-70	1970-71
Enrollments:[1]					
Centers	5,911	6,578	7,448	7,254	7,746
Branches	116	478	980	1,256	1,389
Total	6,027	7,056	8,428	8,510	9,135
(All Per-Student Costs with 5% annual increase)					
Table 1: Custodial Services:					
Per-Student Cost[2]	$27.09	$28.45	$29.87	$31.36	$32.93
Estimated Annual Cost	$163,270	$200,740	$251,740	$266,870	$300,820
Estimated Biennial Cost		$452,480		$567,690	
Table 2: Utilities, Repairs and Improvements:					
Per-Student Cost[3]	$43.82	$46.00	$48.30	$50.72	$53.25
Estimated Annual Cost	$264,100	$324,580	$407,070	$431,630	$486,440
Estimated Biennial Cost		$731,650		$918,070	

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[1] Wisconsin CCHE #4 (1968), pp. 26, 27 and 30.

[2] Calculated from 1966-67 per-student cost at the then existing 11 University centers.

[3] Ibid.

Appendix I CCHE #113

COMPARISON OF ALTERNATIVE VOCATIONAL-TECHNICAL AID FORMULAE

Alternative VTAE Aid Formulae	1967-68 Actual Payments Level	1967-68 Full Claims Level
A. ABILITY TO PAY[1]	$18,624,500	$20,589,300
B. FLAT GRANTS[2]	$18,646,300	$20,605,900
C. COMBINATION ABILITY TO PAY AND FLAT GRANTS[3]	$18,879,900	$20,890,400
D. MODIFIED ABILITY TO PAY[4]	$18,926,500	$20,937,000
E. DIFFERENTIAL FUNDING OF F.T.E. STUDENTS ENROLLED IN "FULL-TIME" AND "PART-TIME" PROGRAMS[5]	$17,440,200	$19,174,800[6]
F. ONE-THIRD STATE SUPPORT[7]	--	$22,169,500
G. 37% AID FOR ALL PROGRAMS[8]	--	$22,328,000
H. 70% STATE SUPPORT COMPARABLE TO CENTERS AND BRANCHES[9]	--	$46,556,300

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[1]Based on estimated 1968-69 cost per composite FTE student.

[2]Ibid.

[3]Ibid. Aidable percentage increases 1% each year until aids are paid at a maximum aidable percentage of 33-1/3% of the estimated full claims level for aidable operations.

[4]Ibid.

[5]Based on the actual 1966-67 cost per "full-time" FTE student.

[6]Endorsed by the Wisconsin Board of Vocational, Technical and Adult Education for their 1969-71 budget request on August 14, 1968.

[7]Based on estimated 1968-69 cost per composite FTE student, using the flat grant formula.

[8]Based on actual 1966-67 cost per composite (all programs) FTE student.

[9]Based on estimated 1968-69 cost per composite FTE student, using the flat grant formula.

ESTIMATED 1969-71 STATE AIDS FOR VTAE USING A COMBINED 28.5% ABILITY TO PAY AND 23.5% FLAT GRANT FORMULA

VTAE Area	District's Value as a % of the State Average	Aidable % of $1,120 Average FTE Cost[1]	Aidable Cost Per FTE Student	(x)	Estimated 1968-70 FTE Students	(=)	Estimated 1969-71 State Aids
A	73.2	31.0	$347		2,672		$ 927,180
B	70.2	31.5	$353		1,900		670,700
D	114.6	27.0	$302		6,117		1,847,330
E	106.7	28.0	$314		1,544		484,820
F	122.9	26.0	$291		2,435		708,590
G	109.0	27.5	$308		2,553		786,320
H	134.1	25.0	$280		1,128		315,840
I	102.1	28.5	$319		25,178		8,031,780
J	103.6	28.0	$314		1,603		503,340
K	108.4	27.5	$308		1,960		603,680
L	110.7	27.5	$308		2,910		896,280
M	98.2	28.5	$319		2,316		738,800
N	89.4	29.5	$330		1,425		470,250
O	79.0	30.5	$342		3,207		1,096,790
P	131.7	25.5	$286		238		68,070
Q	64.1	32.0	$358		1,603		573,870
	SUBTOTAL				58,789		$18,723,640

VTAE Dist.	Statewide Average Cost Per FTE Student	(x)	Aidable % of Average FTE Cost	(=)	Aidable Cost Per FTE Student	(x)	Estimated 1968-70 FTE Students	(=)	Estimated 1969-71 State Aids
C	$1,120		23.5		$263		297		$ 78,110
R	$1,120		23.5		$263		297		78,110
	SUBTOTAL						594		$ 156,220
	ESTIMATED BIENNIAL TOTAL						59,383		$18,879,860

[1] 27,600 FTE's x 28% aids in 1969-70 = 7,728 weighted FTE aids
31,783 FTE's x 29% aids in 1970-71 = 9,217 weighted FTE aids
(59,383 FTE's) 16,945 ÷ 59,383 FTE's = 28.5% aids in 1969-71

ESTIMATED 1969-71 STATE AIDS FOR VTAE USING A COMBINED 31.5% ABILITY TO PAY AND 26.5% FLAT GRANT FORMULA

VTAE Area	District's Value as a % of the State Average	Aidable % of $1,120 Average FTE Cost[1]	Aidable Cost Per FTE Student	(x)	Estimated 1968-70 FTE Students	(=)	Estimated 1969-71 State Aids
A	73.2	34.0	$381		2,672		$ 1,018,030
B	70.2	34.5	$336		1,900		733,400
D	114.6	30.0	$336		6,117		2,055,310
E	106.7	31.0	$347		1,544		535,770
F	122.9	29.0	$325		2,435		791,380
G	109.0	30.5	$342		2,553		873,130
H	134.1	28.0	$314		1,128		354,190
I	102.1	31.5	$353		25,178		8,887,830
J	103.6	31.0	$347		1,603		556,240
K	108.4	30.5	$342		1,960		670,320
L	110.7	30.5	$342		2,910		995,220
M	98.2	31.5	$353		2,316		817,550
N	89.4	32.5	$364		1,425		518,700
O	79.0	33.5	$375		3,207		1,202,630
P	131.7	28.5	$319		238		75,920
Q	64.1	35.0	$392		1,603		628,380
	SUBTOTAL				58,789		$20,714,000

VTAE Area	Statewide Average Cost Per FTE Student	(x)	Aidable % of Average FTE Cost	(=)	Aidable Cost Per FTE Student	(x)	Estimated 1968-70 FTE Students	(=)	Estimated 1969-71 State Aids
C	$1,120		26.5		$297		297		$ 88,210
R	$1,120		26.5		$297		297		88,210
	SUBTOTAL						594		$ 176,420
	ESTIMATED BIENNIAL TOTAL						59,383		$20,890,420

[1] 27,600 FTE's x 31% aids in 1969-70 = 8,556 weighted FTE aids
31,783 FTE's x 32% aids in 1970-71 = 10,170 weighted FTE aids
(59,383 FTE's) 18,726 ÷ 59,383 FTE's = 31.5% aids in 1969-71

1967-68 ACTUAL PAYMENTS LEVEL CALCULATION OF 1969-71 MODIFIED[1] ABILITY TO PAY VOCATIONAL-TECHNICAL AID FORMULA FOR 1968-70 ENROLLMENT

VTAE Dist. No.	District's Per Capita Full Value % of the State Average	Aidable % of $1,120 Average 1968-69 FTE Cost	Aidable Cost Per FTE Student	(x)	Estimated 1968-70 FTE Students	(=)	Estimated 1969-71 State Aids
1	73.2	31.0	$347		2,672		$ 927,180
2	70.2	31.5	$353		1,900		670,700
3	77.3	31.0	$347		297		103,060
4	114.6	27.0	$302		6,117		1,847,330
5	106.7	28.0	$314		1,544		484,820
6	122.9	26.0	$291		2,435		708,590
7	109.0	27.5	$308		2,553		786,320
8	134.1	25.0	$280		1,128		315,840
9	102.1	28.5	$319		25,178		8,031,780
10	103.6	28.0	$314		1,603		503,340
11	108.4	27.5	$308		1,960		603,680
12	110.7	27.5	$308		2,910		896,280
13	98.2	28.5	$319		2,316		738,800
14	89.2	29.5	$330		1,425		470,250
15	79.0	30.5	$342		3,207		1,096,790
16	131.7	25.5	$286		238		68,070
17	64.1	32.0	$358		1,603		573,870
18	83.8	30.0	$336		297		99,790
TOTAL					59,383		$18,926,490

[1] 27,600 FTE's x 28% aids in 1969-70 = 7,728 weighted FTE aids
31,783 FTE's x 29% aids in 1970-71 = 9,217 weighted FTE aids
(59,383 FTE's) 16,945 ÷ 59,383 FTE's = 28.5% aids in 1969-70

1967-68 FULL CLAIMS LEVEL CALCULATION OF 1969-71 MODIFIED[1] ABILITY TO PAY VOCATIONAL-TECHNICAL AID FORMULA FOR 1968-70 ENROLLMENT

VTAE Dist. No.	District's Per Capita Full Value % of the State Average	Aidable % of $1,120[2] Average 1968-69 FTE Cost	Aidable Cost Per FTE Student	(x)	Estimated 1968-70 FTE Students[3]	(=)	Estimated 1969-71 State Aids
1	73.2	34.0	$381		2,672		$ 1,018,030
2	70.2	34.5	$386		1,900		733,400
3	77.3	34.0	$381		297		113,160
4	114.6	30.0	$336		6,117		2,055,310
5	106.7	31.0	$347		1,544		535,770
6	122.9	29.0	$325		2,435		791,380
7	109.0	30.5	$342		2,553		873,130
8	134.1	28.0	$314		1,128		354,190
9	102.1	31.5	$353		25,178		8,887,830
10	103.6	31.0	$347		1,603		556,240
11	108.4	30.5	$342		1,960		670,320
12	110.7	30.5	$342		2,910		995,220
13	98.2	31.5	$353		2,316		817,550
14	89.4	32.5	$364		1,425		518,700
15	79.0	33.5	$375		3,207		1,202,630
16	131.7	28.5	$319		238		75,920
17	64.1	35.0	$392		1,603		628,380
18	83.8	33.0	$370		297		109,890
TOTAL					59,383		$20,937,050

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[1] 26,600 FTE's x 31% aids in 1969-70 = 8,556 weighted FTE aids
31,783 FTE's x 32% aids in 1970-71 = 10,170 weighted FTE aids
(59,383 FTE's) 18,726 ÷ 59,383 FTE's = 31.5% biennial aids for the state average per capita full value, i.e., 31% in 1969-70 and 32% in 1970-71.

[2] The 1966-67 aidable operating cost per composite FTE student has been escalated 5% annually to obtain an estimated aidable operating cost of $1,120 per composite FTE student for 1968-69 to account for the increase in operational costs since 1966-67, and to be comparable to the UW and WSU systems whose enrollment increases will be funded at the 1968-69 operational level for the 1969-71 biennium.

[3] Total FTE student enrollment estimated by Board; district enrollments allocated by CCHE staff.

Appendix H CCHE #113

STATE AIDS FOR VOCATIONAL-TECHNICAL LIBRARIES and ONE-THIRD STATE SUPPORT OF VOCATIONAL-TECHNICAL EDUCATION

	1966-67 FTE Aids Paid 1967-68	1967-68 FTE Aids Paid 1968-69	1968-69 FTE Aids Paid 1969-70	1969-70 FTE Aids Paid 1970-71
VTAE Enrollment:				
"State-aided" FTE's[1]	20,911	23,917	27,600	31,783

(FTE per student cost calculated with 5% annual increase)

Table 1: Library Aids

Per FTE Student Cost	$78.55[2]	$82.48	$86.60	$90.93
Estimated Annual Cost	$1,642,560	$1,972,670	$2,390,160	$2,890,030
Estimated Biennial Cost	$3,615,230		$5,280,190	

Table 2: One-Third State Support of VTAE Using a Flat Grant Formula

Average Cost per FTE Student	(x)	Aidable % of Average FTE Cost	(=)	Aidable Cost per FTE Student	(x)	Estimated[3] 1968-70 FTE Students	(=)	Estimated 1969-71 State Aids
$1,120		33-1/3%		$373.33		59,383		$22,169,460

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[1] Estimated by the Board.

[2] Calculated from 1966-67 cost per FTE student at the centers.

[3] Estimated by the Board.

Addendum to FISCAL ALTERNATIVE #6

The state aid formula for vocational-technical education could be amended to provide for a multi-based formula to recognize: (a) the state's need for a supply of vocationally and technically trained manpower, (b) each district's ability to pay for this vocational-technical education, and (c) differing local full valuation tax efforts. Two or more of these components could easily be included in an alternative aid formula which (assuming an estimated 1968-69 operational cost per composite FTE student of $1,120, the 1969-70 aid payments at the 1967-68 full claims level of 31%, and the aidable percentage to increase 1%, or portion thereof, each year until aids are paid at a maximum aidable percentage of 33-1/3% of the estimated full claims level for aidable operations) could be computed in a manner similar to the following:

(1) The state would recognize that all districts are involved in training needed manpower and that it is desirable to support a uniform quality of vocational-technical education throughout Wisconsin by providing the equality of state aids to each district as flat grants per composite FTE student enrollment.

(2) The state would recognize the varying abilities of districts to support vocational-technical education by providing a substantial portion of state aids on the basis of the per capita full valuation of each district. For example, 31.5% of the estimated 1968-69 cost per composite FTE student of $1,120 = $353 x 59,383 FTE's in 1969-71 would amount to approximately $20,962,200 for aids paid in 1969-71; of which 80% ($16,769,000) would be flat grants per composite FTE student, and 20% ($4,192,400) would be

allocated in the inverse ratio that the district per capita full valuation bears to the statewide average.

(3) The state would recognize higher local full value tax effort by allocating some portion of aids on the basis of such effort. If this element were to be included in a multi-based formula, one alternative allocation of aids would be 75% flat grants, 15% ability to pay, and 10% local effort as shown in the following table:

Estimated 1968-69 Cost per FTE Student	(x)	Aidable %	(=)	Cost per FTE	(x)	Estimated 1968-70 FTE's	(=)	Estimated 1969-71 State Aids	
$1,120		31.5%		$353		59,383		$20,962,200	TOTAL AIDS
				$265		59,383		$15,736,500	75% FLAT GRANTS
				$ 53		59,383		$ 3,147,300	15% ABILITY TO PAY
				$ 35		59,383		$ 2,078,400	10% LOCAL EFFORT

Note: 26,600 FTE's x 31% aids in 1969-70 = 8,556 weighted FTE aids
31,783 FTE's x 32% aids in 1970-71 = 10,170 weighted FTE aids
(59,383 FTE's) 18,726 ÷ 59,383 FTE's =
31.5% aid for the biennium.

Addendum CCHE #113

Recommendations 3 and 4 of CCHE #113 were amended as follows by the CCHE Finance Committee on September 16, 1968:

3. The basic fee for full-time resident students enrolled in a liberal arts collegiate transfer curriculum be established at a percentage of total operating costs equivalent to that used for *but not to exceed the dollar amount charged by* the centers and branches; so that full-time resident fees for all collegiate transfer courses in two-year institutions of public higher education (whether a center, branch campus, or technical college) shall be computed on equivalent bases in 1969-71. [p. 38]

4. The per credit fee for part-time resident students enrolled in a liberal arts curriculum be established according to a uniform credit load for the two-year institutions of all 3 public higher education systems in Wisconsin; *provided that the per credit fee at the technical colleges not exceed that charged by the centers and branch campuses.* [p. 39]

END

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